

Minnesota Forest Resources Council
DRAFT Minutes
Shoreview Community Center, Shoreview, MN
January 13, 2016

Members Present: Kathleen Preece (Chair), Greg Bernu, Wayne Brandt, John Fryc, Alan Ek, Shaun Hamilton, Darla Lenz, Bob Intelmann, Bob Owens, Dave Parent

Alternate Members Present: Amber Ellering (alternate for Forrest Boe)

Members Absent: Susan Solterman Audette, Forrest Boe, Tom McCabe, Shawn Perich

Staff Present: Calder Hibbard, Lindberg Ekola, Rachael Nicoll, Rob Slesak, Clarence Turner

Guests: Ben Bagdon (MFI), Kent Jacobson (MN DNR), Chad Kirschbaum (Chippewa National Forest)

Chair's Remarks

Kathleen Preece opened the meeting with introductions, including the announcement of Calder Hibbard as the new MFRC Executive Director. Kathleen commented on feedback she received objecting to a 'thin' meeting agenda. She said that the council may benefit from becoming thinner in terms of what the MFRC spends time on and shifting our focus to improving the council's relevancy. Kathleen has been meeting with staff members in these regards with the goal of having very tangible meetings that include regular MFRC staff updates.

Kathleen yielded her time to Wayne Brandt who noted that Tom McCabe was absent from the meeting because Tom's logging operation needed to take advantage of the season's first significant freeze.

Approval of Meeting Minutes*

Wayne Brandt approved, and Alan Ek seconded, the meeting minutes. The minutes were unanimously approved.

Approval of Agenda*

John Fryc approved, and Alan Ek seconded, the draft meeting agenda. The agenda was unanimously approved.

Executive Director Remarks

Calder Hibbard thanked the council for the opportunity to serve as MFRC Executive Director. He noted that he has also accepted a one-time teaching position at the University of Minnesota. The DNR has cleared his acceptance, and he will not act in this position as an MFRC staff member. Alan Ek expressed the Department Forest Resources' gratitude as there were no other candidates to teach the class. Kathleen Preece added that the Personnel and Finance Committee was supportive of this one-time position.

* Action item

Calder indicated that Dave Parent requested a review of the updated DNR Wildlife Action Plan (2015-2025). Rob Slesak fulfilled this request. He added that the plan is very broad, but there are some detailed conservation habitat areas. The plan is required for eligibility for certain federal funds. Dave inquired about economic analyses and noted past habitat goals that were not economically feasible. Alan Ek voiced concern about coordination across the DNR as the plan did not mention other divisions and only used the word “forest” a few times.

Calder yielded time to Rachael Nicoll who shared the 2016 MFRC meeting schedule. Kathleen requested suggestions for the two-day September meeting location.

In terms of strategic planning, Bob Owens suggested that we reconnect with the DNR Commissioner in terms of meeting our mission and their expectations. Wayne Brandt suggested that the more appropriate connection would be the governor's office.

Committee Reports

Personnel and Finance

Kathleen Preece reported that the P&F Committee had a robust meeting on January 6. She summarized shared services costs assessed by the DNR, adding that it is problematic that these costs are not strictly itemized. Gene Merriam said that the DNR and DOF have incurred some expenses for this council, and we have some obligation to return that to the extent we can. Wayne Brandt said that we have reimbursed a portion of these expenses. He explained that the governor’s office and agency heads allocate overhead costs throughout the agencies. As the MFRC budget dropped, we have not reimbursed the DNR for the full overhead costs understanding that statutorily we are not the DNR, but they are our fiscal home.

The Personnel and Finance Committee voted to send a letter requesting the elimination of leadership costs as they are not appropriate. There are legitimate services, but the letter will also note that these shared services are a large portion of our budgetary increase. Kathleen noted that the council is appreciative of these services and the Division of Forestry’s generosity in covering these overhead costs in the past. The council wants to legitimize these costs going forward. Alan Ek inquired about potential duplicative IT costs assessed by the DNR and University of Minnesota. Rachael Nicoll replied that she is working with both entities to quantify these costs.

Gene explained that the MFRC’s allocation of \$780,000 is appropriated by the legislature to the DNR commissioner, then to the council. The allocation may only be used by the MFRC. The commissioner determines which expenses meet the criteria established by the legislature. We are not in the position to negotiate but only to state our case and make a request to remove the leadership services because we do not use them.

Kathleen added that the committee discussed the MFRC policy analyst vacancy and gave Calder permission to hire a temporary policy analyst until a strategic staffing plan is formed.

Site-Level

Dave Parent reported that the committee has not met. Rob Slesak noted that the deadline to submit the site-level monitoring report to the DNR is February 15. Dick Rossman and Jennifer Corcoran are developing the report, and it will be available by the March MFRC meeting. The report will reflect recommendations of the ad hoc committee report and **the modified** program. Alan asked about organizing historic data so that it is publically available. Rob replied that there has not been much progress on publishing these data, but there is an opportunity to do so soon.

Landscape Planning/Coordination

Shaun Hamilton noted that the committee has not met, but a meeting is scheduled for February 24. The committee plans to bring forth recommendations for an updated North Central Landscape Plan to the council.

Information Management Committee

Kathleen Preece reported that the committee met on December 14. The conclusions of a discussion of the prioritization for the forest industry competitiveness report recommendations will follow in a later agenda item. Also, Bob Tomlinson, Wildlife Management Institution contractor, spoke about the Young Forest Initiative. A committee discussion of the U.S. Environmental Protection Agency (EPA) Clean Power Plan will follow as an agenda item.

Written Communication to the MFRC

Kathleen Preece said that Rebecca Barnard, an MFRC Executive Director candidate, wrote a letter to Council members thanking them for their consideration.

Committee of the Whole: Approval of EPA letter*

Kathleen Preece read the draft resolution to approve a letter to the EPA regarding the inclusion of woody biomass in achieving CO2 targets and reductions under the Clean Power Plan. Amber Ellering noted that the DNR is also writing a letter and noted the strength in both entities proving comment on the plan. Calder Hibbard mentioned that the Information Management Committee is currently working on the content of the letter. The public comment period ends January 21, 2016.

Wayne Brandt moved, and Greg Bernu seconded, a motion to approve a letter to the EPA.

Shaun Hamilton suggested adding a bullet point in the resolution regarding the role of woody biomass in carbon sequestration. Greg brought up an issue with the last bullet point in the resolution, "Could restrict to only certified wood or woody biomass harvested by a trained logger," as many lands in Minnesota are not certified. Wayne suggested a friendly amendment to the language, changing it to "Support certified wood and woody biomass harvested by a trained logger."

John Fryc made motion to accept the friendly amendments to the resolution.

Alan Ek emphasized that the council may want to submit a short letter as the EPA will likely receive a large volume of mail on the Clean Power Plan. Wayne said that the fourth bullet point, "Suggestion to only include material which is harvested using MFRC guidelines," is not particularly useful for a national policy. He suggested removing the word "only." Shaun also suggested that the resolution include a description of the MFRC woody biomass harvest guidelines, when they were developed, and their place as the first developed in the country.

Wayne and Greg agreed to accept the friendly amendments to the resolution. The motion passed unanimously.

Bob Owens inquired if a new subcommittee should work on this topic as it falls under numerous programs. Commerce is not covered by our committee structure. Kathleen responded that she had discussed this possibility with staff. Wayne suggested continuing the discussion of the role and structure of committees as part of the strategic planning process. Dave Parent cautioned about mission creep.

Approval of prioritized competitiveness report recommendations*

Kathleen Preece provided background information on the process of prioritizing recommendations from the forest industry competitiveness report, including the Information Management Committee's recent decisions and discussions. Calder Hibbard added that some recommendations have been addressed to completion while others have not been acted upon. He also explained the criteria used to identify priority recommendations and requested feedback on a draft resolution to adopt a set of recommendations as the priority recommendations to pursue in 2016.

Shaun Hamilton inquired about the MFRC's role in moving the recommendations forward and tracking the full set of recommendations. Kathleen responded that the prioritization of the recommendations is ongoing, and we rely on partners to pursue implementation. It is not in the council's purview to track all recommendations, and members will likely not agree on all recommendations. The partnership, council, and other partners have agreed internally to continue to work together. Shaun asked about the role of the DNR Commissioner in implementing the recommendations as he requested the report. Amber Ellering replied that the DNR will continue to work on some of these recommendations. There is not buy-in on all recommendations, but these conversations are important. Shaun commented that the MFRC and partnership should not be the only entities moving the recommendations of the report forward. Wayne Brandt replied that the forestry community will work on the recommendations. Greg Bernu added that members of partnership believe that the MFRC should report back to the DNR Commissioner. We can't implement all of the recommendations on a landscape scale as separate entities. Darla Lenz provided an example of national forest use of the recommendations. She evaluates where they can be implemented and works with others.

Dave Parent asked how we define professional foresters in the first bullet point, "Increase outreach to family forest landowners by professional foresters..." Wayne replied that there is a role for all of those who bring professional expertise to get involved in implementation of this

recommendation. Discussed ensued regarding further action on the reports, including convening interested groups to build a framework then delegate work to the landscape committees. Greg remarked that the MFRC is missing key players, and Alan Ek said that members need to work within their circles.

John Fryc moved, and Bob Owens seconded, a motion to adopt a set of priority recommendations to pursue in 2016.

Gene Merriam was concerned bullet point five, “Exempt wood harvest from the environmental review process until cumulative harvest threshold quantity of four million cords/year is reached.” He said he isn’t worried about any particular threat and believes underharvest is more of a problem than overharvest, but he is concerned about the implications of a blanket statement. Amber Ellering and Wayne suggested that this bullet point read, “Exempt wood harvest from parts of the environmental review process dealing with wood availability and concerns of overharvest until cumulative harvest threshold quantity of four million cords/year is reached.”

Gene Merriam moved, and Greg Bernu seconded, the amendments to the resolution.

Shaun Hamilton suggested an amendment to bullet point number three, “Employ additional tools, such as the purchase of permanent conservation easements, to ensure the protection of high value forest lands and associated timber supply.” Wayne suggested incorporation of the language, “(e.g., including PILT and tax reform)” after “tools.”

Wayne Brandt moved, and Bob Owens seconded, the additional amendments to the resolution. The motion passed unanimously.

Strategic vision for the MFRC

Kathleen Preece noted an opportunity to pursue a new strategic vision with new MFRC leadership. Calder Hibbard added that they are looking for discussion and input for moving forward. MFRC staff conducted a strategic visioning retreat in 2014 in which they selected several priority initiatives, such as improving communication, increasing programmatic coordination, developing long-term funding plan. Kathleen spoke about several possible methods for the process of balancing long- and short-term planning, including developing an ad hoc committee and hiring a facilitator.

Kathleen requested candid, initial thoughts from council members, going around the table. Shaun Hamilton suggested that the council should focus on climate change and the role of forests. He said we should also ensure the viability of council by making it more relevant. Alan Ek said that the MFRC should be more introspective going forward about our ability to affect change. Timber harvesting in a relatively minor disturbance at a state-wide level. He added that organizations often don’t assess the success of the previous plan at the outset of a new one.

Wayne Brandt said that it makes sense to review the SFRA. We should think about how we structure ourselves. Staff should sit down and review things we've done, our successes, and

issues that we can consider completed. The council should also think about future issues and review overall structures. Bob Owens remarked that the stage is being set to go to the essence of who we are as an organization and who we want to be. He asked also about the expansion needs of the forest products industry. Greg Bernu noted that he has observed redundancies also noticed by members of the Minnesota Forest Resources Partnership.

Amber Ellering asked if the MFRC wants to bandage our weaknesses or build exceptional strengths. Gene Merriam agreed with Wayne about reviewing the statute. Much has changed since 1995. Environmental and economic concerns have changed. The council has been doing things much the same way since then—for better or worse. Darla Lenz shared some lessons learned from previous organizational planning she's been involved in. The council will need a professional facilitator. Projecting forward is difficult and where we will especially need assistance. Wayne agreed with Darla about hiring an external facilitator.

Bob Lintelmann assented to the ideas shared by other Council members. He agreed with Alans statements in terms of timber harvesting. He supported a review of past efforts, an analysis of current action and success, and building the MFRC's strengths. John Fryc added that going back to past sometimes is necessary to look into the future. Shaun Hamilton inquired about the MFRC's most important accomplishments and initiatives. He also asked if our role is to affect change or is it, to foster appreciation for the forest, adding that the MFRC is also a convener.

Dave Parent spoke about the MFRC's charge. He suggested that we should analyze the changes that have occurred between 1995 and 2016 and consider private landowners' forest management goals. Alan suggested a review of previous governors' initiatives. The MFRC as an organization doesn't have much power to make the changes we discuss. We should also review our communications as it plays a distinct role in our effectiveness.

Kathleen summarized the conversation, saying that almost all of the themes discussed surfaced during her one-on-one conversations with staff. She added that we should consider creating an ad hoc committee for this process and hiring a facilitator right away. The Blandin Foundation could provide funding.

Shaun remarked that the scope of this process is beyond an update. This is a comprehensive review. Aside from evaluating the council's accomplishments, we should review what has happened in Minnesota and nationally. There will be some large drivers that inform how things have changed since the inception of the council.

Wayne added that we should consider querying a subset of key legislators regarding their expectations for the council. In addition to statute, we should review projects they've assigned us. He also nominated Kathleen to assemble the members of an MFRC ad hoc committee. Amber offered to check with the DNR to find a replacement for Forrest on the committee, but Wayne said the committee should be composed of Council members. Kathleen nominated Bob and Wayne and noted that Susan Solterman Audette has already volunteered to serve.

Using LiDAR to assess forest harvest landings and potential for recovery

Rob Slesak spoke about the advantages and disadvantages of approaches to evaluating guideline effectiveness, including experimental and observational approaches. Observational approaches may be retrospective, and there is a lot of value in these data. Rob has planned an intensive field campaign to collect this type of data, measuring leave trees, road impacts, etc. Unfortunately, budget restraints halted this data collection in recent years, but there is now adequate funding.

LiDAR technology presents an opportunity for this evaluation, specifically in terms of measuring the impact of landings. Landing areas have been generally increasing over time, and guidelines have relaxed to increase implementation of landing guidelines. Vegetation height is an indicator of impact that LiDAR can detect, but impacts of harvest during frozen soil conditions haven't been evaluated.

Rob used a retrospective approach to evaluate impacts by comparing the average height of vegetation in the general harvest area versus the landing. He grouped data by summer/fall and winter harvest. There was no significant difference between seasons. The effects of one central landing have greater impacts than a few diffuse landings. In response to a question, Rob said that there was no difference based on volume. There is, however, evidence for recovery over time which seems independent of season of harvest.

Rob said that since impacts occur across all seasons, landing area should be limited regardless of the season. Impacts still occur from extremely heavy equipment despite increased soil strength in frozen conditions. Wayne Brandt commented that the recommendation harvest in winter to lessen landing impacts may not hold up. Shaun Hamilton suggested analyzing the data by soil type, and Rob agreed to do so.

Rob added that three landings at a site seems to be optimal, and we may potentially optimize harvest designs. Natural recovery may also negate the need for any active mitigation, such as tilling. Recover of height in occurs in approximately 20 years. There is no data on volume. Landings may provide benefits following harvest, such as wildlife habitat. They may be maintained for wildlife/other management goals, but heavy traffic may eliminate these benefits.

Rob also spoke about other planned projects for the Site-level Program. Planned research activities with partner organizations include: leave tree effectiveness and wildlife (the DNR is working on this topic separately), black ash/EAB and impacts on wildlife, soil/water quality, large ungulate browse impacts on tree regeneration, a historical Landsat record of disturbance, and erosion control effectiveness. Bob Owens inquired about studies evaluating how black ash lumber is processed to avoid spread of EAB. Rob replied that we could look into this. Rob also asked Council members to share any research ideas.

Good Neighbor Authority

Darla Lenz introduced Chad Kirschbaum, Deer River District Ranger, Forest Service, and Kent Jacobson, DNR Forestry Utilization and Marketing. Chad provided background information on

the Good Neighbor Authority (GNA). It is a partnership project between the Forest Service and DNR. He covered opportunities provided by the program, including coordination across landscapes, achievement of federal planning goals, extra funding to the state, and fulfillment of some recommendations from the forest industry competitiveness report, including increasing size of timber sales.

Chad spoke about the history of the GNA Farm Bill and the GNA Appropriations bill. He described the details of the bills. The overall goal of the GNA is to increase the Forest Service's capacity to work on the landscape and collaborate. Kent described a recent public comment period and provided an update on progress in the Lake States. Under the GNA, there is both a non-obligatory master agreement for the entire state and a supplemental project agreement (SPA), where the details lie. Wisconsin has a 10-year Master Agreement and SPA, signed in 2015 for its national forest. Michigan also signed Master Agreement in 2015 is drafting an SPA. Minnesota is currently working on its agreements and has created a strategy document and draft Master Agreement. Kent and Jim Gubbels are primary managers working with the Division of Forestry timber team as technical support. Chad added that a project team will recommend three projects with the goal of having stands in the June state auction. He shared several benefits of implementing these projects, including increased efficiency.

In response to a question, Kent said that the DNR may act like a subcontractor to work with other landowners. Dave Parent asked about tribal land involvement. The agreement is between the Forest Service and state agencies. Darla has communicated this to tribes. Darla hopes that this program will be an impetus to bring partners together to decide what to do on the landscape. It will hopefully be a springboard for collaboration. Greg Bernu asked how counties can get involved in the planning process. Chad replied that this is something that needs to be addressed.

Alan asked how funds will be used. Kent replied that as a grant, the receipts will come into the state. The Forest Service will periodically withdraw from the account. The money must go to projects. Wayne Brandt remarked that one of the functions of the landscape program is coordination and said that maybe we've fallen behind. We should reconsider if this is something we should provide.

Public Communications to the MFRC

None.

MFRC Member Comments

Amber Ellering said that the U.S. Fish and Wildlife Service has published a 4d rule related to the northern long-eared bat. Bob Owens inquired about federal wildlife funding. Wayne Brandt replied that there was no change.

Dave Parent moved, and Wayne Brandt seconded, adjourning the meeting. The meeting was adjourned at 2:59 p.m.